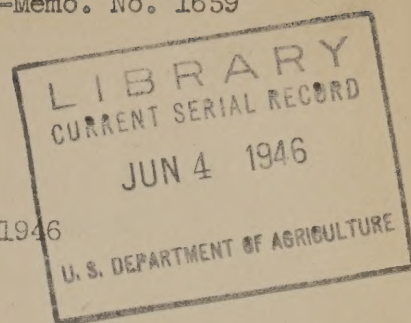


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NER-Memo. No. 1659

UNITED STATES DEPARTMENT OF AGRICULTURE
Production and Marketing Administration
Field Service Branch
Washington 25, D. C.



March 12, 1946

TO STATE AND COUNTY OFFICES

SUBJECT: DAIRY PRODUCTION PROGRAM - - - - - No. 84

Re: Payments extended for the production period April 1, 1946 to
June 30, 1946

It was announced on February 25 that dairy production payments at the same rates as those for the corresponding period of 1945 would be made for April, May, and June 1946 production and sales, subject to termination or revision in the event of any general increases in price ceilings for milk or its products. State offices were notified of this extension by wire on February 26. Sufficient copies of the amendment to the Commodity Credit Corporation Offer authorizing this extension are being mailed to State offices to provide one for each county office.

Applicants receiving drafts in payment for January-February-March production and sales should also receive a notice of the payment rates and time of filing for the April-May-June period. The notice should indicate that the payment rates are subject to termination or revision in the event of any general increases in price ceilings for dairy products. August 31 will be the final date for timely filed applications for the April-May-June production period. Payment will be made on one application, even though the rates for April production and sales differ from those for May-June.

The rates of payment as amended are:

<u>State</u>	<u>April</u>		<u>May and June</u>	
	<u>Milk</u>	<u>Butterfat</u>	<u>Milk</u>	<u>Butterfat</u>
Maine	.70	.17	.35	.10
New Hampshire	.70	.17	.35	.10
Vermont	.70	.17	.35	.10
Massachusetts	.80	.17	.45	.10
Rhode Island	.80	.17	.45	.10
Connecticut	.80	.17	.45	.10
New York	.70	.17	.35	.10
New Jersey	.80	.17	.45	.10
Pennsylvania	.70	.17	.35	.10

Instructions for making this payment will be issued at a later date.

A. W. Manchester
A. W. Manchester
Director, Northeast Region

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NER-Memo No. 1718

UNITED STATES DEPARTMENT OF AGRICULTURE
Production and Marketing Administration
Field Service Branch
Washington 25, D. C.

April 19, 1946

TO STATE AND COUNTY OFFICES

SUBJECT: ACP OPERATIONS - - - - - No. 28

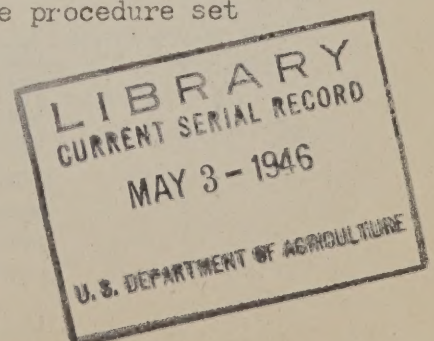
Re: Liquidation of Debts Incurred By Non-use of Conservation
Materials When Properly Used Under a Subsequent Program

A review of some county office debt registers disclosed a number of indebtedness items which were incurred prior to the 1943 ACP because of non-use of conservation materials furnished to producers. In some of these cases the reports of performance indicate that the materials were carried over to a subsequent program and properly used to carry out approved practices.

There are listed below some of the reasons for failure to liquidate an indebtedness incurred by non-use of materials when the materials were properly used under a subsequent program.

- (a) The procedure for transferring materials between programs to the same farm was not authorized prior to the 1943 ACP.
- (b) Credit was not given for the use of materials in cases where the producer has not signed an ACP application for the program under which the furnished materials were used.
- (c) Credit was given for the use of the materials but the payment earned was insufficient to completely liquidate the debt. In some cases, this was due to a lower payment rate for the practice for the program under which the materials were used or because of a 10% reduction which was applicable to all payments under the 1940 program.

In order to effect the complete or partial liquidation of a debt incurred by the non-use of conservation materials to the extent of the farm allowance (plus small payment increase) for the program year under which such materials were properly used, the procedure set forth below may be applied when applicable.



A. County Office

1. If an application for payment for the program under which the materials were used was not processed allowing credit for the use of the material:

Transfer the materials which were properly used to a subsequent program or to the program under which such materials were used in accordance with the instructions contained in NER-1011 Part III, Section B, Subsection XIV.

- (a) The debt may be completely liquidated if all of the unused materials were transferred and properly used and the deduction for such materials does not exceed the farm allowance for the program under which the materials were used and there are no net deductions for exceeding acreage allotments or usual or permitted acreages. In such cases, a regular Application for Payment form showing the materials properly used is not required. In lieu thereof, a statement dated and signed by a member of the county committee may be submitted to the State Office in duplicate in which is shown:

- (1) The debtor's name, address, State and county code, and farm serial number under which the materials were furnished.
- (2) The kind and quantity of materials transferred.
- (3) The program year under which the materials were originally furnished.
- (4) The program year to which the materials were transferred and used.
- (5) That the deduction for the materials does not exceed the farm allowance (plus the small payment increase) for the program to which the materials were transferred and used and there are no net deductions for exceeding acreage allotments, or usual or permitted acreages.
- (6) The county committee's recommendation that the debt be completely liquidated.

- (b) The debt may be partly liquidated if only a part of the unused materials were transferred or the deduction for the materials used exceeds the farm allowance (plus the small payment increase). In such cases the county committee shall forward to the State Office an ACP application for the program under which the materials were used. Such applications shall be prepared in the usual manner except for the following:

- (1) The producer need not sign the application.

(2) Enter under the Remarks Section of the application
"Conservation materials transferred from _____
program." (year)

2. If an application for payment for the program under which the materials were used was processed, allowing credit for the use of the materials:

The debt may be completely liquidated if all of the unused materials carried over from a previous program were properly used and the deduction for the materials used does not exceed the farm allowance for the program under which the materials were used and no other net deductions were made for exceeding acreage allotments or usual or permitted acreage. In such cases, a statement signed by a member of the county committee may be submitted to the State Office in duplicate in which it is shown:

- (a) The debtor's name, address, State and county code and farm serial number under which the materials were furnished.
- (b) That all the materials carried over from a previous program were properly used.
- (c) The program year and serial number of the application which has been processed for payment showing the materials properly used.
- (d) That the deduction for the materials carried over and used does not exceed the farm allowance for the program under which such materials were used.
- (e) The county committee's recommendation that the debt be completely liquidated.

B. State Office

ACP applications and county committee recommendations with respect to the liquidation of any indebtedness item indicated above shall be examined for completeness and accuracy by checking all data shown thereon for the programs involved.

Where ACP applications are received, the payment earned and to be credited to an indebtedness shall be computed in accordance with the computing procedure applicable to the program under which the application is submitted. Such applications need not be signed by the producer and shall not be scheduled for payment on a continuation sheet and voucher.

All ACP applications and county committees recommendations for liquidating indebtedness items shall be submitted by memorandum signed by a certifying officer to one of the following whichever is applicable:

1. Chief of Party - General Accounting Preaudit Office, if the indebtedness occurred under the 1941 ACP and subsequent programs.
2. Claims and Liquidation Section if the indebtedness occurred under any program prior to the 1941 ACP.

State committees should request county committees to immediately review all ACP debts remaining on the registers to determine if any of such debts are eligible for liquidation under the procedure set forth herein or under the provisions of AAA-411.

A. W. Manchester

A. W. Manchester, Director
Northeast Region